DOW THEORY LETTERS INC.

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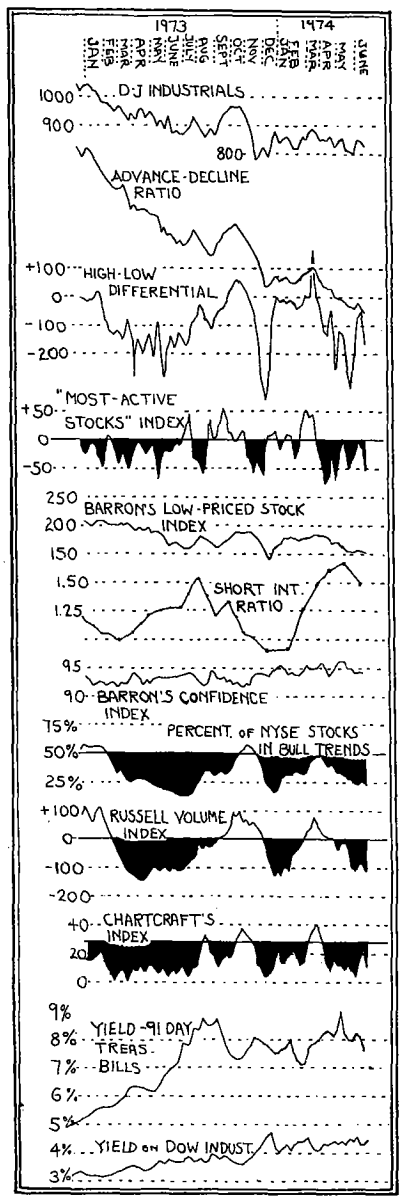
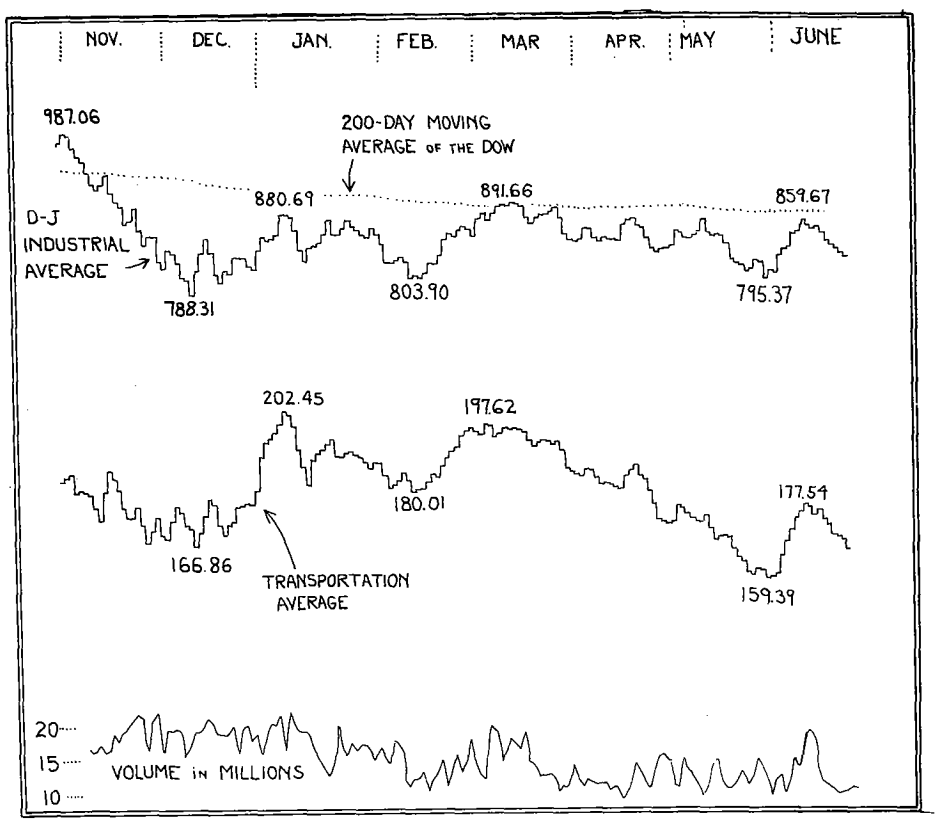
FAMOUS FIRST WORDS: "As far as I can now judge, if we are unwilling to practice austerity on a sufficient scale, then an increase in the price of gold may be the wisest course open to us." (Arthur Burns, 1968)

THE PICTURE: Within the memory of the oldest man on Wall Street, there's been nothing like the situation today. A recent study shows that one-third of the over-the-counter issues now have no market whatsoever, while another third have only a single market-maker. The NYSE and Amex are disaster areas, the bond markets are sliding into quicksand, the once-defensive utilities have totally collapsed (the D-J Utility Average has broken below 70 for the first time since 1958), and the under-developed nations of the world are taking over the very resources which once made the "natural resource stocks" the ideal hedge against inflation.

Spurred by the world-wide fever to raise interest rates (a classic indication of a liquidity crisis), France last week raised its bank rate to 13%, the British market cascaded to a 15 year low, American bank stocks fell apart and the US real estate trusts (REITS) suffered a combined loss of market value above $4.5 billion. For students of primary bear markets, classes are clearly in session.

Supposing one is out of all common stocks now and ready to fight for his financial life in the face of the current world upheaval and in the face of one of modern history's great primary bear markets. What can one do? What should one do? I presented a scenario in the last Letter, but it was only my own "fantasy" scenario and I could obviously be somewhat off or way off. But here is what I see (and this is amplified greatly in a later section). The world is going to try to beat the current state of illiquidity by enlisting GOLD. This will be inflationary, but it could work for a while, it just could work — for a while.





Picture yourself in a run-down shack with a $10,000 loan against that shack. The bank is pressing you for payments. You have no money, you owe the $10,000, you're broke. Suddenly, your fairy Finance Minister appears, he passes his wand over your shack, and lo — it's a $90,000 mansion. Want another loan from the bank? Sure, and you'll get it too. And that's exactly

 how it works when the price of gold is rasied, doubled, tripled, or pushed up to the sky.

Gold, the "barbaric relic," the reviled metal which our Treasury and our leaders have scorned for so long, gold is about to provide a bankrupt world (all except Germany and the Arabs, who are wealthy) with the solution. People don't understand it, they don't know it yet, but gold is to be the solution.

So my answer to what to do to stave off personal bankruptcy via inflation is to get with the solution, tie your assets in with the only oasis in the heat wave of inflation which is now sweeping the world, and that tie is gold (gold coins, gold stocks, and perhaps shortly — bullion). How about currency, money? Sure, I would definitely have some currency. Put some in dollars, if you want, put some in Swiss francs or hard Dutch guilders, but remember this — some paper money is good, some is fair, some is a lie. But all paper money is an IOU for real wealth — gold. Therefore, I feel you should have at least half your assets in gold-related "things," and in that way if the paper half goes down, it will probably be offset by the gold half going up. And there's nothing wrong with that kind of action in today's tissue world.

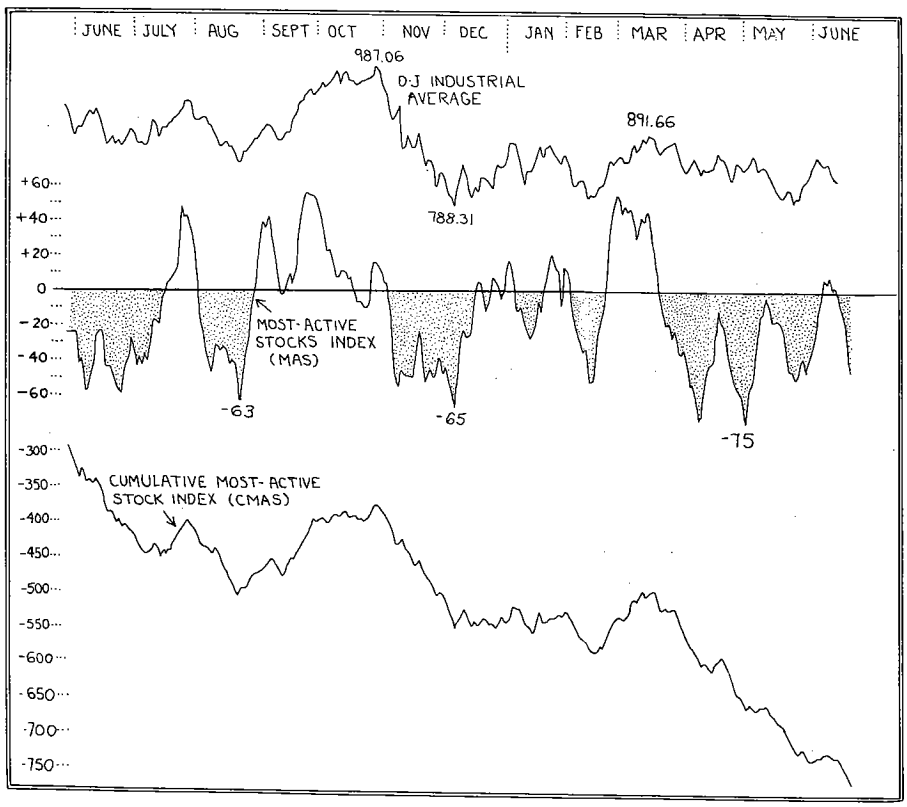
MARKET: I have been interested to note that the various market "psychology" and "sentiment" indicators (i.e., short interest, specialist shorts, odd-lot statistics, contrary opinion, etc.) have not been working too well. All during the last six months they have shown this market to be oversold and ready to turn. But the market just hasn't obliged. Wall Street isn't interested.

At the same time, I have noted that the "character of the market" indices (broad averages, A-D ratio, most-active stock index, high-lows, etc.) appear to be telling the real story. Why, what's going on?

I think that this primary bear market is a new experience for most analysts and most of their indices. We're going into a bear market period which will produce great excesses of pessimism, excesses far beyond what the ordinary indices have gauged so far. It may be that the market psychology indexes will produce entirely new levels before we hit the final bottom of this bear market. The fact is that most of the market psychology indices (up to this point) have been dealing with short spates of fear during bull markets or pessimism in the early and middle stages of the primary bear market since 1966. From here on, I'm afraid it could be a case of "hold your hat."

In contrast to the psychology measures, the characters of the market indices simply show what's actually happening. If declines exceed advances day after day, that's what the A-D ratio shows. You don't have to interpret that one, it's just a technical fact. Another technical fact: On June 14 and again on June 19 the D-J Utility and 40-Bond Averages hit new lows simultaneously. Interpretation — very bearish for the market. On June 17 the Primary Trend Index (PTI) and the cumulative most-active stock index hit new bear market lows. Interpretation, you hardly need to interpret; it's just plain bearish.

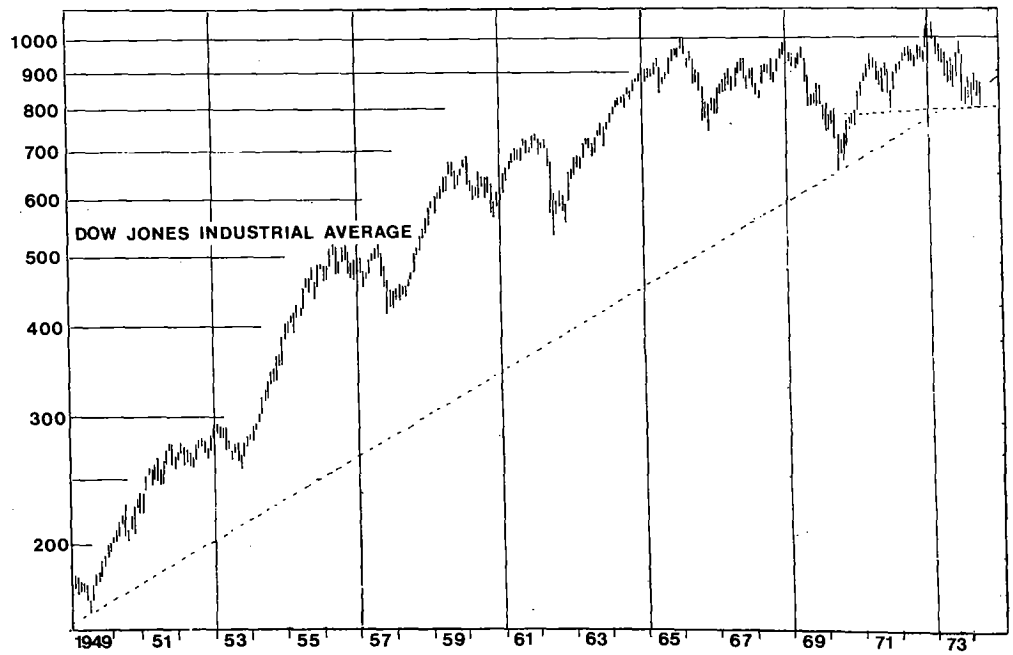
I want to include one of my favorite characters of the market studies, the most-active stocks (based on the 15 most-active NYSE issues published daily in most newspapers). This study was last seen in Letter 595. The 15 most-active stocks comprise up to 30% of NYSE daily volume. The direction of the majority of the most-actives often points the way for the rest of the market. I tabulate the daily plurality of the most actives, and run the MAS index on an eight-day moving average. Referring to the chart, we see a picture of weakness in MAS: An April low of minus 75, followed by a first peak of minus 10, a second peak of minus 3, and most recently a very sub-standard peak of plus 8. Following the early-June peak, MAS dove into minus territory again. In all, a pathetic performance.



The cumulative most-active index (CMAS) is simply a cumulative A-D line, a running total of the daily MAS figures. The CMAS has been going down all year, and has recently plunged to new lows. What we are seeing here is a picture of steady distribution among the most-actives. Week after week, month after month, every upward blip, every rally, has been wiped out as the CMAS continues to plunge to new lows. I don't

think I've ever seen such relentless selling of volume leaders on the NYSE.

Turning to the Averages, the critical major points on the downside are the 1973 low of 788.31 for Industrials, 151.97 for Transports. The nearby significant levels are the 1974 lows of 795.37 for Industrials, 159.39 for Transports (see page 1 chart).



The following study should prove to be of interest, and the chart is undoubtedly one of the most important that I have ever published. Older students will immediately see the ominous implications depicted here. We have a "triple top" in the Dow formed by the peaks of 1966, 1968 and 1973. But the scary part is the giant "head-and-shoulders" pattern traced out by the action since 1971. In retrospect, this could be one of the most massive distribution formations ever to appear in one of the Averages (why almost no one has pointed attention to it, I do not know). Of major bearish significance is the fact that the long-term trendline connecting the 1949 and 1970 bottoms has been broken.

The horizontal dashed line delineates the "support" or base of this great distribution formation. If the Dow breaks below 780, I would say that the bear will have sunk his teeth deep into the jugular of the market. (This monthly ratio or percentage chart has been revised from the original which appeared in the Bank Credit Analyst, 1245 Sherbrooke St., West, Montreal, Canada 109).

GOLD: Politicians (and those gentlemen we laughingly call "statesmen") follow a number of immutable rules which I will now try to list in understandable form: (1) Never do anything if you don't have to do it. (2) If you have to do something, wait until it assumes the form of a crisis. (3) Never do any more than is necessary to mitigate the crisis. (4) If you have made your "move" (following the crisis) and a majority of constituents are still screaming, promise them that "further study will be initiated by a committee" which you are appointing, and tell them that what you have already done is "one of the greatest steps forward" in this particular area "in the history of mankind."

So it is with the world economic situation. What really happened on that fateful day of June 12, 1974, when the Finance Ministers "saved" Italy? Italy was pronounced bankrupt by bankers and politicians the world over. This was indeed a catastrophe, coming, as it did, on top of the dozens of other dismal financial situations which faced the world. It was obvious that immediate action was necessary. The problem: how to do as little as possible while continuing to keep Italy "afloat" (viable is the modern word).

The problem was "solved" by allowing the US official price of $42.22 per ounce for gold to slip quietly into the sunset. Italy was told that it could revalue its $3.4 billion gold reserves (see last Letter, page 6) on the basis of $150 per ounce, thus instantly boosting the value of Italy's gold reserves from $3.4 billion to $14 billion. It was stated that although this process was not to be used in general, France too (which is in economic trouble) might have to revalue its reserves.

Next, Italy announced that it wished to "collateralize" its gold reserves but definitely not "pledge" them against loans. What does this mean? It's ironic, but in the face of all the dire warnings about central banks selling gold, no central bank wants to give up an ounce of it. The world's bankers want to borrow against their gold, but they do NOT want to pay off with gold. This presents a remarkable picture. And the outcome is easy to envision. The fact is that Italy is now running a trade deficit of $1 billion a month. Italy has borrowed $10 billion in the last two years alone. Even with new loans (based on her gold collateral) Italy is not going to last too long, not on $150 gold.

Then we come to Britain. England had a record first quarter deficit, but this was somewhat offset by incoming funds lured to London by very high interest rates. Nevertheless, it is clear that England cannot continue to exist with record interest rates, low productivity, slumping business and fat deficits. Something will have to give, and it will.

 France's inflation rate for the first quarter was 18%. Enter Giscard d'Estaing. France's d'Estaing has imposed individual income tax boosts running from 5% to 15% plus an 18% surcharge on corporate profits. Savings account rates in France have been raised to 8% as an anti-inflation measure. In the face of these tough anti-inflation measures, d'Estaing has brought in a broad set of welfare measures and higher retirement pensions. Take it away with one hand and give a little of it back with the other. And so it goes around the world.

What's the next step? In my opinion, the next step will be (it must be) raising the price of the new gold "collateral." But won't this set off a new round of even worse monetary inflation? Sure it will, but let's get one thing straight. No one (except the savers and those living on annuities and pensions) wants to halt inflation. They don't want to stop it, what they do want is a piece of the action. And the politicians, they aren't interested in a system that works, and they aren't interested in honest money. What they are vitally interested in is anything that will keep the status quo, anything that will give them more time. And don't kid yourself for a moment — that means more monetary inflation (tax cuts, spending, give-aways, subsidies, political hot air, booming military budgets, etc.).

The burning question of the hour is, "What can the world do to stave off the pressures now militating towards collapse?" And slowly, ever so slowly, it is dawning on our leaders that they can't raise profits in their respective nations' industries, they can't raise productivity, they can't raise business levels — but they can raise the price of gold (with a simple stroke of the pen).

So that is to be the coming tide of events. No convertibility, no using gold to settle international accounts, no paying off loans in gold. Gold is to be the great "bail out device," the mechanism by which the nations of the world will keep inflation (and supposedly "prosperity") going full blast.

What this whole extraordinary agreement amounts to is WORLD INDEXING. Forget the SDR nonsense, forget the inane "currency cocktails," they are paper-printing devices which will be used to create credits (particularly for the undeveloped nations, which have now become a tremendous international political problem). But gold is to be used as the core, the device which the industrialized nations will use to retain the look of "solvency." The world is to float on a sea of paper (all with gold-collateral backing), and this will keep the international ball rolling. When the banks falter, when business collapses, when a nation totters, the formula will be this — raise the price of gold again, make the national account books look good, and print more money. It's world indexing against gold, pure and simple, and the statesmen have the power to raise the price of gold!

Think of it. If Italy runs through whatever money she will now be able to borrow on her new $14 billion gold reserves, she will scream again, and the world will come to her rescue. How will the second rescue work? Simple, raise the price of gold to $450 and presto, instead of $14 billion in gold Italy will have $42 billion in gold. The giant world indexing system will float skyward as gold's price is raised and as more and more loans are needed — until the ultimate collapse arrives.

What does all this mean for us? Those of us who have gold shares or coins will tend to retain our purchasing power. Those who do not will be in serious trouble. They will gradually realize that only with gold can they stand still. And what will happen as the public shrieks at the Government that they can't survive under the "new (even worse) inflation?" The Government (which will have legalized gold by then) will say, "Buy gold, buy gold, hedge with gold." They will add, "Didn't we change the gold coin law so that you could buy modern gold coins minted right up to 1959? Now we give you the right to buy gold bullion. Buy it. We want you to buy it. Americans should own gold. It's patriotic to own gold." You say you don't believe it can happen? I say wait — just wait!

Question: I see what you're saying, but isn't the whole scenario you are presenting very inflationary? Answer: Sure it is. But what do you think you're going to get from a Government which six months ago was asking you not to eat so much beef — and now, when beef prices finally drop, the same Government spends millions of dollars to buy up beef while at the same time asking the American people to buy more (and higher-priced) beef? This is the Government that is going to balk at inflation when a slump arrives?

Question: But what about the SDR's? Won't they be used instead of gold? Answer: The SDR's are part of an inflationary fantasy. When the IMF bailed Italy out, did they do it with SDR's? Hardly, they did it with a near-quadrupling of the value of Italy's gold reserves. The SDR's are a part of the world inflating mechanism, a bookkeeping entry, a mix of currencies created out of thin air. But gold is the collateral, the real wealth, the real reserve.

Question: How long do you think the world economy can be "floated upward" via periodic boosts in the gold price? Answer: My own guess is maybe a few years, I don't know. But it will be a giant bubble and ultimately bubbles burst.

Question: What kind of profits do you think we can make with gold? Answer: I want to say right now, THIS IS A SURVIVAL GAME, forget about killings, scalping, fat profits or anything like that. Those of us who have been in golds have more purchasing power (profits) than we did one, three or five years ago, alot more. Call it dumb luck, call it brilliant thinking, call it foresight, call it a gift from God. But forget about beating this primary bear market! We're going into one of the damnest periods of

monetary inflation (and perhaps deflation in prices) ever witnessed. I want my readers to survive. In order to survive we have to see the logic of coming events. The logic is this — the world is going to keep going by boosting the price of gold. How do we survive? By being in gold. I don't know any other way.

Question: How about those who say that we are now moving into a deflationary period, and that gold will go down in price along with everything else? Answer: I don't think these people understand what's going on. It's as simple as that. The men who run the world are not going to sit around while England and Italy and France go under. They're going to reflate regardless of business deflation, price deflation, or any other kind of deflation. The greater the "natural" forces of deflation, the higher they will ultimately have to put the price of gold.

Question: How about the $6 billion in gold owned by the IMF? Couldn't the IMF knock the price of gold down if they sold it? Answer: What the devil would the IMF want to knock the price of gold down for? They just got it up! No, the boys want the price of gold to go higher. No one, repeat no one, now benefits from a lower price for gold. With the $150 floor now established by the Italian agreement, I believe the Arabs could be big buyers of gold. The Arabs could take in the whole $6 billion IMF gold hoard overnight, and pay for it with dollars. Do you think the IMF would accept? If you do you're crazy.

Question: Do you have any new thoughts on US legalization of gold? Answer: Well, what the Treasury would really like is to wait for a major upward revaluation of gold prior to legalization. Reason: The Treasury is afraid of a $5 to $10 billion "run on the banks" with people turning in paper for gold. The Treasury (and all the central banks) would like just the opposite: they would love to see citizens turning in gold for paper. The central banks want the gold, and they would like the world's people to "dishoard." Remember, the bankers can make paper and credits, but they haven't yet learned to make real money — gold. Nevertheless, at some high price people will finally sell their gold coins and bullion for currency.

But the winds of popular demand are blowing hard. Bills are in Congress which will almost surely legalize gold in the US during 1974. And I still feel that Mr. Nixon, seeing the picture, will jump the gun and sign the bill which will legalize gold via Presidential signature. It is hard for me to believe that Nixon will miss this opportunity to garner the glory, but I could be misjudging the man.

NOTES, QUOTES, COMMENTS: Hayden Stone will shortly be offering 100 ounce silver bars at $60 above the wholesale price. Hayden will also repurchase the bars at around $8 under the wholesale price. For instance, if silver is $5 an ounce, Hayden will sell a 100 ounce bar for $560, but it back for $552. Is that a sign of the times (or the coming times)? Second item, a small NYSE member, Mueller & Co., received Big Board approval to buy and sell various sized lots of gold coins, Mexican pesos, Austrian coronas, US eagles and British sovereigns.

Dun's magazine runs a shocking piece (June issue) on a subject which I have often warned about, the pension funds. The management of the corporate pension funds (whether banks, insurance companies or private sources) has been a disaster. The pension funds are now loaded with common stocks at a time when they should be about out of them. Not only have many pension funds actually shrunk drastically in asset value over the past few years, but contributions by corporations for pension funds will take up around 38% (yes, thirty-eight percent) of corporate profits during 1974. That's up from 31% in 1973 and 20% in 1960!

Over the past five years, common stock purchases by pension funds have been a steady "plus influence" on the stock market. Now listen to this conclusion from the Dun's article: "...Clearly, corporations are caught in a giant nutcracker. On one hand, they are squeezed by low investment yields on pension assets: on the other by escalating wages, which require high pension contributions. How can they extricate themselves from the nutcracker? One method that suggests itself readily is the diversification of a major portion of invested assets out of common stocks into high-yielding short-term government issues and other money instruments such as government bills and C/D's. Such a step, of course, could be taken only after executives (who act responsibly in other areas) abandon their irresponsible optimism about common stocks and money managers."

Translation: The pension funds are stuck with low-yielding common stocks which are declining. They have to unload. Watch the pension funds as they end their role as a plus factor in Wall Street and turn into a nightmare-headache for the stock market.

Financial World (June 12), in an article on corporate profits, states that because of inflated inventories and understated replacement costs, "stocks that look undervalued may instead reflect overstated profits...It may be that when ballooning earnings are pricked, the true picture will consist of alot of hot air." The magazine states the rather obvious (but to majority of analysts rather frightening) thought: "The stock market...may be trying to tell us something."

I'm warning my subscribers to count on it: the stock market is most definitely telling us something. It is telling us that earnings are going down, that there are going to be huge deficits in every segment of business and government, and that monetary inflation is going to be used in an attempt to keep the country going. It's going to be the biggest race up the down escalator ever seen.

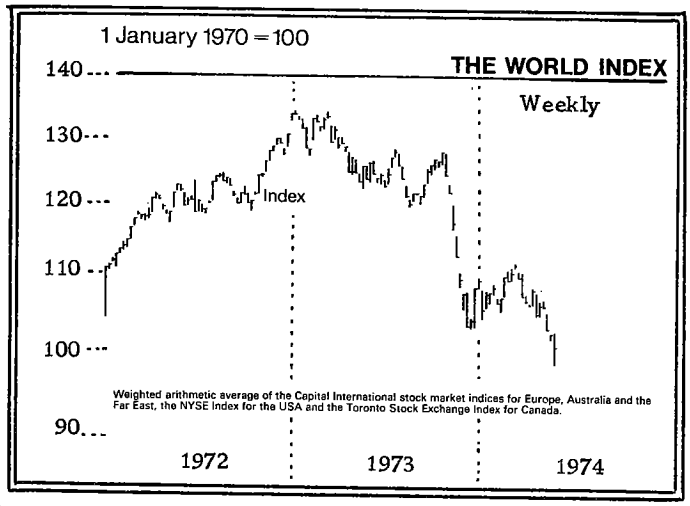
With everyone wondering where to put hedge money, one wag suggests a "futures market" in governments. In that way, he says, if your government collapses you can at least reap some benefit from the disaster, that is if the currency they pay you off with is worth anything.

Edson Gould (Anametrics, 299 Park Ave., NYC 10017) has just put out a great 86 page report on gold. In it he gives the whole history of gold, the fundamental and technical picture for bullion and Canadian, S. African and US (Homestake) shares, and his opinions. To put it briefly, Gould believes gold and gold shares will shortly be heading higher. He states: "Our stock market will not straighten out, our economy will not be soundly based until and unless the world goes back to gold as a monetary base." That should be clear enough for anyone.

Some weeks ago the Wall Street Transcript invited me to NYC to be part of a gold panel. I respectfully declined (I've been to NYC once already this year!) but on June 10 and 17 the WST published verbatim the results of the panel discussion, featuring Tehan, Sinclair, Deak, McShane and Meigs. The WST, 120 Wall St., NYC 10005, offers reprints at $15. A fine discussion, well worth reading (Tehan alone is worth the price of admission).

Gold expert Bill Tehan states in the article that the current decline in bullion has been caused by high interest rates and margin calls on weak gold-holders. Bill thinks we are moving towards massive deflation and a world credit collapse. He states that up to this point gold has been purchased as an inflation hedge. From now on, it will be bought as the ultimate money under the stress of credit chaos and monetary inflation.

To back Tehan's ominous forecast, I include this extraordinary chart published by Capital International Perspective S.A., 15, rue du Cendrier, 1201 Geneva, Switz. The chart can be considered a barometer of the markets of the Western World. This broadest of all averages is down about 26% from its 1973 high and looking very sick indeed. If this chart is arguing with Tehan's position, I fail to see the discrepancies.



I want to include this crucial paragraph from the Inflation Survival Letter (422 First St., SE, Wash., DC 20003). The paragraph should serve to answer many letters received here. It was written by Dr. Murray Rothbard, an internationally known economist of the Austrian school.

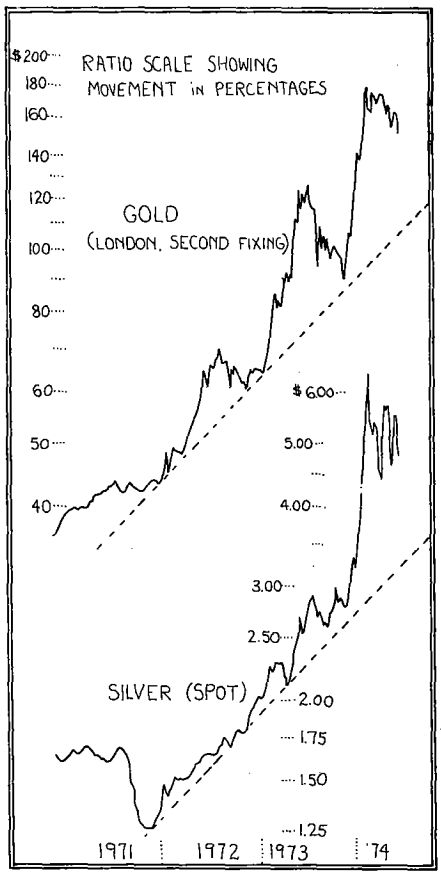
GOLD, SILVER: The weekly ratio (percentage) chart (page 7) shows the spot price of silver in NY and the second fixing for gold from London (Monday postings). Gold is still in a corrective phase, touching a reaction low of $150 on June 24. Silver on the same days sold spot at $4.70. The chart indicates that both of these corrections in the precious metals are consolidating well above the 1973 peaks and both of them are showing marked resistence to going down very much further.

World interest rates are now at record highs, and, of course, this does put pressure on the precious metals (which provide no yields in the form of interst). My own feeling is that informed investors will discount the peak for interest rates, the metals will bottom out, and as the interest rate structure squeezes the inflationary-boom, leading nations will see that they must bring the interest rate structure down. This will change the situation from highly-inflationary to super-inflationary, and the bullion price will prepare to soar.

Mr. Alden Wells, in his *Monetary Report* (May 13), argues that the government and the banks lack the power to inflate money and credit any further. If he were right, then deflation would indeed be in the offing. He argues that, in our monetary system, the printing of cash is passive rather than an inflationai force. Very true. He also argues that the Federal Reserve is legally prohibited from buying bonds from the Treasury. Also true. He further states that the banks themselves have no further power to expand credit. True as well. But what he leaves out is the crucial method by which the Federal Reserve has been inflating money and credit, and which they will continue to use until the dollar cracks up in an astronomical inflationary boom and collapse. That method is "open market operations," in which the Federal Reserve purchases old government bonds from bond dealers in the open market. The Fed doesn't *have* to buy new bonds from the Treasury. When it buys old bonds, the bond dealers deposit its checks in their own checking accounts, and this adds to the reserves of the banking system. When the Fed buys $1 billion of old government bonds, it adds $1 billion to the reserves of the banks, upon which the banks can and do expand money and credit six-fold, adding $6 billion to the nation's supply of money. That is the crucial inflationary process, and that process can go on until the dollar itself disappears in the holocaust of runaway inflation.

Murray N. Rothbard

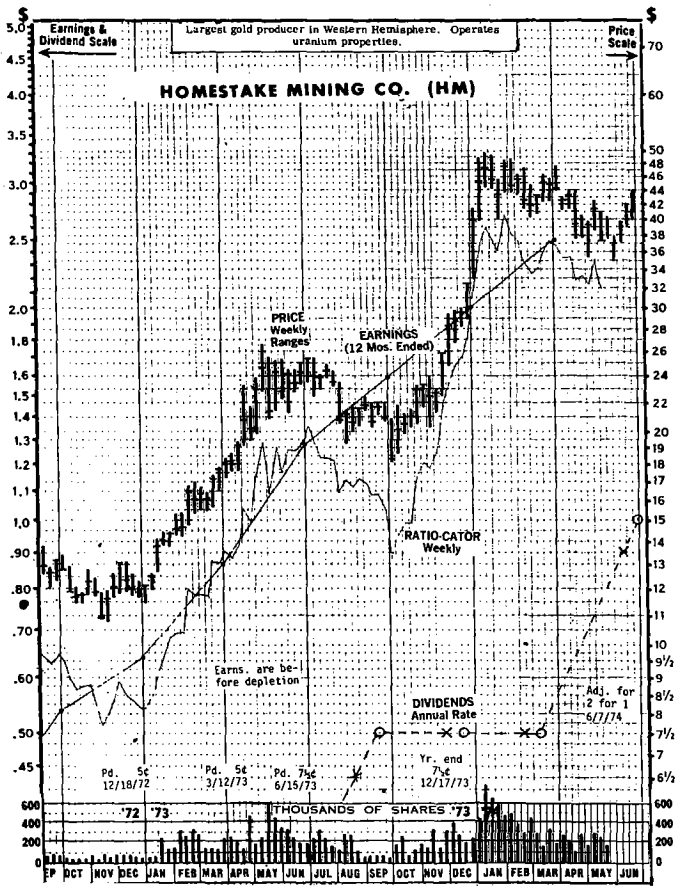
STOCKS: I have been a big booster of Homestake all during the gold bull market. I still think HM is one of the outstanding gold investments. The stock also acts extremely well, and even though gold bullion has closed at new reaction lows, HM is not confirming by setting new reaction lows of its own (this is a phenomenon which I thought might occur, and I have written about it in previous Letters). I think we saw the bottom for HM a few weeks ago at 35, and I believe HM is a top addition to any gold portfolio now.

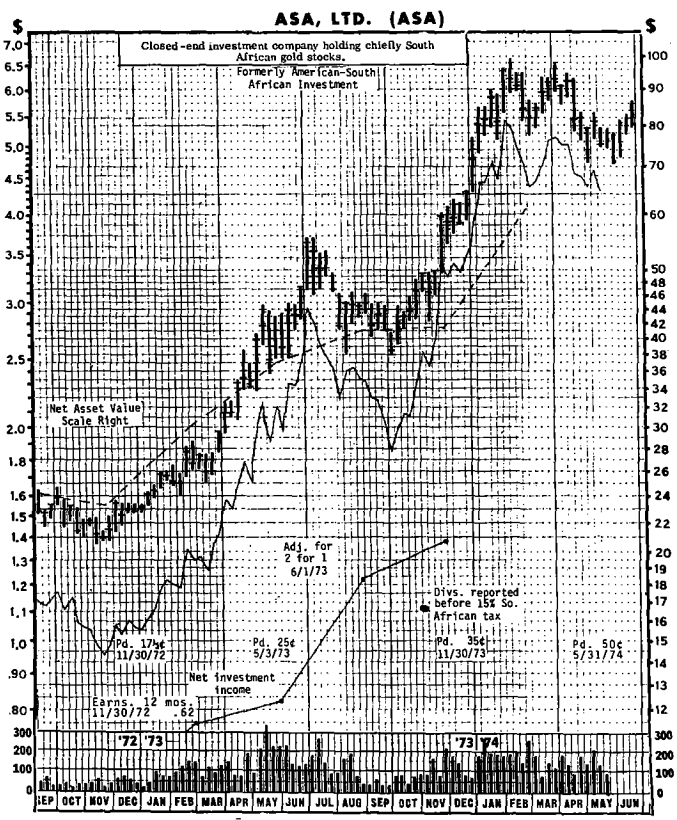


Note on the weekly chart that the recent bottoming action in HM has taken place far above the May, 1973, peak. This I consider bullish action, and it means that those who were "smart" enough to sell HM at the 1973 high have never had a chance during the 1974 reaction to buy the stock back at a profitable concession from the 1974 peak price. In other words, they have been "taken out," a typical procedure which befalls skeptics when they try to trade stocks during a bull market (such as the one we now see in the golds).

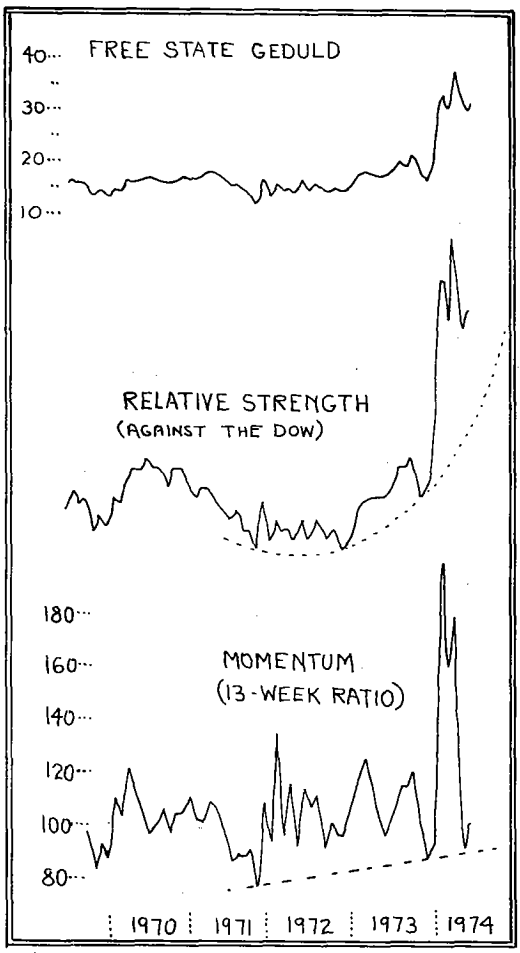
Everything I wrote above regarding HM can be said of ASA. This stock is a true bellwether of the gold group, and it, like HM, is acting very well. With a new low in bullion, ASA finds itself almost 10 points above its low of a few weeks ago. I believe that shrewd investors have been (and are) accumulating ASA under the guise of weakness in bullion prices. These men are looking ahead, six months to a year, and they know that the best time to buy is when conditions "appear" unfavorable for the product you are buying. Such is the picture now for gold shares. (Charts of ASA and HM courtesy of Securities Research Co., 208 Newbury St., Boston, MA 02116.)

I am including another kind of chart now, my own arithmetic chart of Free State Geduld, a medium-life S. African mine often recommended here (page 8). As seen



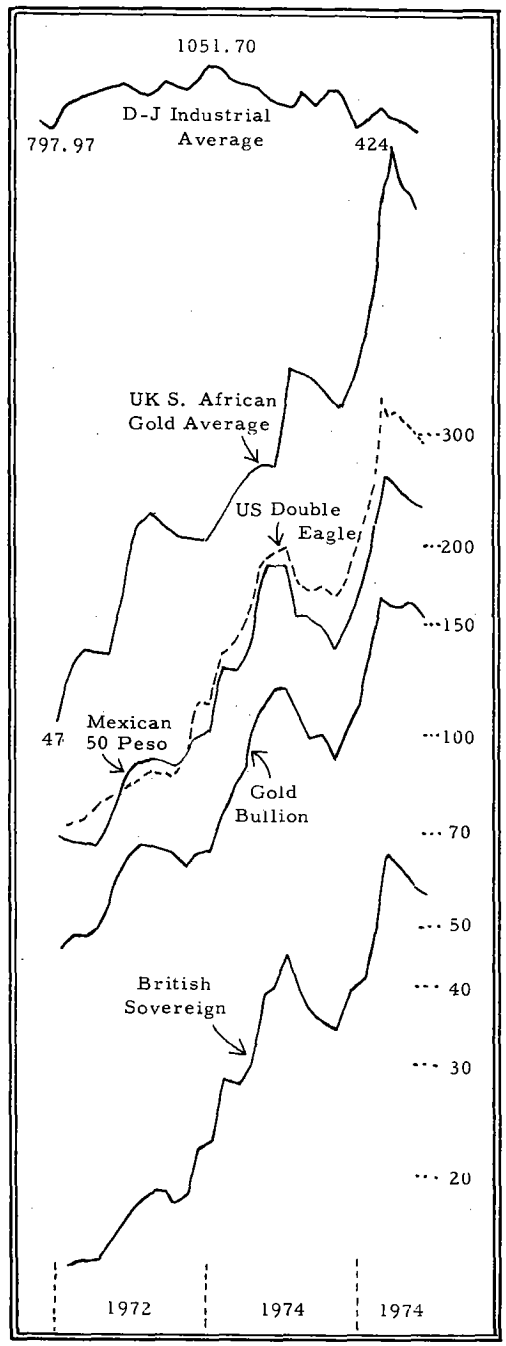


on the top line (price), FS rose from roughly 17 in 1973 to about 38 at the 1974 high; in other words, the stock better than doubled in less than a year. This kind of action invariably calls for a correction, and that's where we are now.



Note on the second line (relative strength, in this case the ratio of FS compared with the Dow) that FS since mid-1972 has been far outperforming the Dow. Even the correction has done little to take back the great strength of FS as against the Dow. In other words, if you had your choice of being in FS or in the 30 Dow stocks since the early 1970's, the answer is simple enough, the money should have been in FS.

The last line shows the momentum or the ratio of FS's current price as against its price of 13 weeks ago (I use 13 weeks because it has proven to be a very "workable" period of time). Here we see that the lows on momentum for FS have been rising on a trendline basis. But in late 1973 FS's momentum exploded to over 200, and that's always a signal for a correction. The correction has taken FS's momentum line back to the 80's again, and I feel the base is being laid for the next rise. The momentum correction should now be about over.



LATE MARKET NOTES: It seems to me that as the market enters "oversold" areas it bounces up (corrects) in the usual way, the upward reversals set off by buying on the part of floor traders, professional traders and itchy scalpers. But there is a difference these days. The "follow-up" is missing, and the follow-up I am referring to is the one supplied by the public. The public has been licked by this bear market, he's beaten, discouraged, pushed against the wall. One unweighted average of NYSE stocks shows the average issue down two-thirds from the 1972 highs. The American stockholder has been pulverized by the bear market, and he's not about to come back.

Right now, the market again appears oversold, and we may be getting another rally. It will be important to note whether there is any lasting power in the next upside correction. If there isn't (and I don't think there will be), then we should be getting ready to plunge below the 800 level. One superb indicator which I use shows buying power in this market now at its lowest level in nine months, with selling pressure beginning to rise. This could mean that the heaviest liquidation yet lies ahead. I believe it does, and it will appear as and when the Dow breaks below 800.

I want to leave readers with the thought that the hardest thing in the world to see and comprehend is the big picture, the logic of the long term. News flashes around the world in an hour now, fear is sparked in a flash, whereas decades ago no one knew what was happening in Portugal, Greenland or Zurich. Today's instant communications, in my opinion, more often obscures the tidal view rather than clarifying it.

Note to new subscribers — I usually don't write 8 pages, I usually write 6. I'm making that note to myself too, phew!